



## **Fair Credit Reporting**

*(15 U.S.C. § 1681 et seq., A.R.S. §§ 44-1691 – 1698.02)*

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### **The Fair Credit Reporting Act**

If you have ever applied for a charge account, personal loan, insurance, or a job, there is a file about you. This file contains information on where you work and live, how you pay your bills, and whether you have been sued, arrested, or filed for bankruptcy.

Companies that gather and sell this information are called Consumer Reporting Agencies (CRAs). The most common type of CRA is a credit bureau. The three major credit bureaus are Equifax, Experian, and TransUnion. The information CRAs sell about you to creditors, employers, insurers, and other businesses is called a consumer report.

The Fair Credit Reporting Act (FCRA) is a federal law designed to promote the accuracy, fairness, and privacy of information in the files of consumer reporting agencies.

### **Q: Can I obtain free copies of my credit reports?**

A: Yes. You can get a free copy of your credit report once every twelve months from each of the three nationwide CRAs. To order your credit report log on to [www.annualcreditreport.com](http://www.annualcreditreport.com) or call (877) 322-8228. You may also print an Annual Credit Report Request Form at [www.ftc.gov/credit](http://www.ftc.gov/credit) and mail it to:

Annual Credit Report Request Service  
P.O. Box 105281  
Atlanta, GA 30348-5281

You will need to provide your name, address, Social Security number, date of birth, a previous address if you have moved in the last two years, and possibly other personal information that only you would know (such as the amount of your monthly mortgage payment) to maintain the security of your file.

Note: The above websites and nationwide CRAs will not call or e-mail you asking for your personal information. Do not reply or give out your information if you receive these requests.

### **Q: Why should I check my credit report?**

A: It is a good idea to check your report regularly. The information in your report affects your credit score and whether you can get a loan. It is also helpful to make sure the information is accurate, complete, and up-to-date before you apply for a loan for a major purchase like a house or car, buy insurance, or apply for a job.

**Q. Do I have a right to know what is in my report?**

A. Yes. You may request and obtain all the information about you in the files of a CRA.

**Q. What can I do about inaccurate or incomplete information?**

A. If you find information in your file that is incomplete or inaccurate, report it to the consumer reporting agency. The CRA must investigate the items in questions, usually within 30 days, unless they consider your dispute frivolous. See <http://www.consumer.ftc.gov/articles/0151-disputing-errors-credit-reports> to learn more about dispute procedures.

**Q. What can I do if the CRA or information provider won't correct the information I dispute?**

A. A reinvestigation may not resolve your dispute with the CRA. If that's the case, ask the CRA to include your statement of the dispute in your file and in future reports. If you request, the CRA will also provide your statement to anyone who received a copy of the old report in the recent past although there is commonly a fee associated with this service.

If you inform the information provider that you dispute an item, a notice of your dispute must be included anytime the information provider reports the item to a CRA.

**Q. Can I place a security freeze on my credit report?**

A. Yes. Under Arizona law, you may make a request in writing to a CRA to have a security freeze placed on your credit report. A CRA shall place a security freeze on a consumer's credit report no later than ten business days after receiving a written request from a consumer. The CRA shall send a written confirmation of the security freeze to the consumer within ten business days after placing the security freeze on the consumer's credit report, and shall provide the consumer with a unique number or password that the consumer may use to authorize the release of the consumer's credit report for a specific period of time and to remove the security freeze. If a security freeze is in place, a CRA may not release your credit report or credit score to third party without your consent. However, a CRA may inform a third party that a security freeze is in effect with respect to your credit report. The security freeze will remain in effect until you request that it be removed or temporarily lifted for a specified period of time.

**Q. Who has access to the information in my report?**

A. A CRA may provide information about you only to people with a valid need under the FCRA. For example, a company is allowed to get your report if you apply for credit, insurance, employment, or to rent an apartment. Further, a CRA may not give out information about you to your employer, or a potential employer, without your written consent given to the employer.

**Q. What should I know about "investigative consumer reports"?**

A. An "investigative consumer report" is a detailed report that involves interviews of your neighbors or acquaintances regarding your lifestyle, character, and reputation. They may be used in connection with insurance and employment applications. A company that requests such a report about you must provide you with written notification no later than three days after making the request. The notice will explain your right to request certain information about the report from the company you applied to. An investigative consumer report about you may not be initiated unless the company requesting the report provides you with the appropriate notification regarding the request. If your application is rejected, you may receive additional information from the CRA. However, the CRA does not have to reveal the sources of the information.

**Q. How long can a CRA report negative information?**

- A. In general, a CRA can report negative information for seven years. Exceptions:
- Bankruptcy information may be reported for ten years.
  - Information reported in response to an application for a job with a salary of \$75,000 or more has no time limit.
  - Information reported because of an application for credit or life insurance worth \$150,000 or more has no time limit.
  - Information about a lawsuit or an unpaid judgment against you can be reported for seven years or until the statute of limitations runs out, whichever is longer.

**Q. How can I stop a CRA from including me on lists for unsolicited credit and insurance offers?**

A. Creditors and insurers may not use CRA file information as a basis for sending you unsolicited offers unless (1) it is clearly disclosed to you that your information may be shared with other companies for the purpose of making solicitations to you, and (2) you are given an opportunity and simple method to prohibit the sharing of your information for solicitation purposes. Unsolicited offers must include a toll-free number for you to call if you want to remove your name and address from lists for five years. You may also complete a form provided by the CRA that will keep your name off the lists permanently. Finally, you may opt out of receiving all unsolicited prescreened offers by following the instructions found at [www.optoutprescreen.com](http://www.optoutprescreen.com).

**Q. Do I have the right to sue for damages?**

A. You may sue a CRA, a user of CRA data, or a provider of CRA data, in state or federal court for most violations of the FCRA. You generally have two years from the date the violation occurred to sue. If you win, the court may order the CRA to pay you actual and punitive damages and reimburse you for attorney fees.

**Q. Are there other laws I should know about?**

A. Yes. If your credit application was denied, the Equal Credit Opportunity Act (ECOA) requires creditors to specify why -- if you ask. For example, the creditor must tell you whether you were denied because you have no credit file with a CRA or because the CRA says you have delinquent obligations. The ECOA also requires creditors to consider additional information you might supply about your credit history. You may want to find out why the creditor denied your application before you contact the CRA.

**Q. Where should I report violations of the law?**

A. To file a complaint, visit [www.ftc.gov](http://www.ftc.gov) or call (877) 382-4357. You may also submit a complaint to the Consumer Financial Protection Bureau (CFPB) at [www.consumerfinance.gov](http://www.consumerfinance.gov). The CFPB can forward your complaint to the CRA and work to get a response from the CRA regarding your complaint. Finally, you may report potential violations of the FCRA and corresponding state law to the Arizona Attorney General's Office.

**Q: Where can I get more information?**

A: You can read more about credit reporting, debt collection, and other consumer and business related topics at the Federal Trade Commission's web site: <http://www.ftc.gov>. You may also read about consumer, safety, and health issues at <http://www.consumer.gov>.

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